## RECEIVED

By Docket Room at 3:53pm, Nov. 13, 2020

## UNITED STATES OF AMERICA DEPARTMENT OF ENERGY OFFICE OF FOSSIL ENERGY

	)	FE DOCKET NO(S).
Cameron LNG, LLC	)	11-145-LNG, 14-204-LNG, 15-36-LNG,
	)	11-162-LNG, 15-67-LNG & 15-90-LNG

## APPLICATION TO AMEND EXPORT TERM FOR EXISTING LONG-TERM AUTHORIZATIONS THROUGH DECEMBER 31, 2050

Blair Woodward General Counsel 2925 Briarpark Dr. Suite 1000 Houston, TX 77042 (832) 783-5582 bwoodward@cameronlng.com Brett A. Snyder Lamiya Rahman Blank Rome LLP 1825 Eye Street NW Washington, DC 20006 (202) 420-2200 bsnyder@blankrome.com lrahman@blankrome.com

## **TABLE OF CONTENTS**

I.	$\mathbf{B}^{A}$	ACKGROUND	2
II.		FORMATION REGARDING LONG-TERM AUTHORIZATIONS AND EQUESTED AMENDMENT	3
	A.	FE Docket Numbers	3
	B.	Authorization Holder	4
	C.	Name and Location of Export Facility	4
	D.	Existing Long-Term DOE/FE Orders Subject to This Application	5
	E.	Final Orders Issued by Federal Energy Regulatory Commission	5
	F.	Requested Amendment	6
III.	TF	HE REQUESTED AMENDMENTS ARE IN THE PUBLIC INTEREST	6
	A.	Domestic Natural Gas Supply, Demand, and Price	8
	B.	Other Public Interest Considerations	11
		i. Environmental Issuesii. International Trade and Geopolitical Impacts	
	C.	Authority to Grant Extended Export Terms Under DOE's Regulations	12
IV.	CO	OMPLIANCE WITH THE NATIONAL ENVIRONMENTAL POLICY ACT	Γ13
V.	AI	PPENDICES	14
VI.	CO	ONCLUSION	14

## UNITED STATES OF AMERICA DEPARTMENT OF ENERGY OFFICE OF FOSSIL ENERGY

Cameron LNG, LLC	)	FE DOCKET NO(S). 11-145-LNG, 11-162-LNG, 14-204-LNG,
Cameron Ervo, EEC	)	15-36-LNG, 15-67-LNG & 15-90-LNG

## APPLICATION TO AMEND EXPORT TERM FOR EXISTING LONG-TERM AUTHORIZATIONS THROUGH DECEMBER 31, 2050

Pursuant to Section 3 of the Natural Gas Act ("NGA"),<sup>1</sup> Part 590 of the regulations of the United States Department of Energy ("DOE"),<sup>2</sup> and the DOE Office of Fossil Energy's ("DOE/FE") final policy statement on Extending Natural Gas Export Authorizations to Non-Free Trade Agreement Countries Through the Year 2050,<sup>3</sup> Cameron LNG, LLC ("Cameron") submits this application to amend its existing long-term authorizations to export liquefied natural gas ("LNG") issued in the above-captioned dockets ("Application").

Specifically, Cameron LNG requests that DOE/FE grant extensions to the export terms for each of the authorizations issued in the above-captioned dockets through December 31, 2050, inclusive of any make-up period, with corresponding increases in the total volume of exports over the life of each authorization.

In support of this Application, Cameron LNG states as follows:

<sup>2</sup> 10 C.F.R. Part 590 (2020).

<sup>&</sup>lt;sup>1</sup> 15 U.S.C. § 717b (2018).

<sup>&</sup>lt;sup>3</sup> Extending Natural Gas Export Authorizations to Non-Free Trade Agreement Countries Through the Year 2050, Notice of Final Policy Statement and Response to Comments, 85 Fed. Reg. 52237 (Aug. 25, 2020).

#### I. BACKGROUND

As described in further detail in Section II below, Cameron LNG holds three long-term authorizations to export domestically-produced LNG from the Cameron LNG Terminal in Cameron and Calcasieu Parishes, Louisiana, to countries with which the United States has a free trade agreement ("FTA") requiring national treatment for trade in natural gas (the "FTA Authorizations").<sup>4</sup> Additionally, Cameron LNG holds three authorizations to export LNG from the Cameron LNG Terminal to non-FTA countries (the "Non-FTA Authorizations").<sup>5</sup> Each of the FTA and Non-FTA Authorizations has a 20-year term.<sup>6</sup>

On July 29, 2020, DOE/FE issued a final policy statement on Extending Natural Gas Export Authorizations to Non-Free Trade Agreement Countries Through the Year 2050 ("Policy Statement").<sup>7</sup> In the Policy Statement, DOE/FE adopted a term through December 31, 2050—

\_

<sup>&</sup>lt;sup>4</sup> DOE/FE Order No. 3059, FE Docket No. 11-145-LNG, Order Granting Long-Term Multi-Contract Authorization to Export Liquefied Natural Gas by Vessel from the Cameron LNG Terminal to Free Trade Agreement Nations (Jan. 17, 2012); DOE/FE Order No. 3620, FE Docket No. 14-204-LNG, Order Granting Long-term, Multi-contract Authorization to Export LNG by Vessel from the Cameron LNG Terminal in Cameron Parish, Louisiana, to Free Trade Agreement Nations (Apr. 9, 2015); DOE/FE Order No. 3680, FE Docket No. 15-36-LNG, Order Granting Long-Term, Multi-Contract Authorization to Export Liquefied Natural Gas by Vessel from the Cameron LNG Terminal in Cameron and Calcasieu Parishes, Louisiana, to Free Trade Agreement Nations (July 10, 2015); DOE/FE Order No. 3059-A, FE Docket No. 11-145-LNG, Order Amending Long-Term Multi-Contract Authorization to Export Liquefied Natural Gas by Vessel from the Cameron Terminal to Free Trade Agreement Nations (Aug. 13, 2018).

<sup>&</sup>lt;sup>5</sup> DOE/FE Order No. 3391-A, FE Docket No. 11-162-LNG, Final Opinion and Order Granting Long-Term Multi-Contract Authorization to Export Liquefied Natural Gas by Vessel from the Cameron LNG Terminal in Cameron Parish, Louisiana to Non-Free Trade Agreement Nations (Sept. 10, 2014); DOE/FE Order No. 3797, FE Docket No. 15-67-LNG, Final Opinion and Order Granting Long-Term, Multi-Contract Authorization to Export Liquefied Natural Gas by Vessel from the Cameron Terminal Located in Cameron and Calcasieu Parishes, Louisiana, to Non-Free Trade Agreement Nations (Mar. 18, 2016); DOE/FE Order No. 3846, FE Docket No. 15-90-LNG, Opinion and Order Granting Long-Term, Multi-Contract Authorization to Export Liquefied Natural Gas by Vessel from Trains 4 and 5 of the Cameron LNG Terminal in Cameron and Calcasieu Parishes, Louisiana, to Non-Free Trade Agreement Nations (July 15, 2016).

<sup>&</sup>lt;sup>6</sup> See DOE/FE Order No. 3059-A at Ordering Para. A; DOE/FE Order No. 3391-A at Ordering Para. A; DOE/FE Order No. 3620 at Ordering Para. A; DOE/FE Order No. 3680 at Ordering Para. A; DOE/FE Order No. 3797 at Ordering Para. A; DOE/FE Order No. 3846 at Ordering Para. B. The Non-FTA Authorizations also include a make-up period, permitting Cameron LNG to export make-up volumes for a period of three years upon expiration of the original export period. See DOE/FE Order No. 3391-A at Ordering Para. C; DOE/FE Order No. 3797 at Ordering Para. C; DOE/FE Order No. 3846 at Ordering Para. C.

<sup>&</sup>lt;sup>7</sup> The Policy Statement was published in the Federal Register and became effective on August 25, 2020.

inclusive of any make-up period—as the standard export term for long-term, non-FTA authorizations and discontinued its practice of granting standard 20-year export terms.<sup>8</sup> The Policy Statement implemented a process by which existing authorization holders may request to amend the export terms of their long-term, non-FTA authorizations through December 31, 2050, with corresponding increases in the total export volume over the life of the authorizations.<sup>9</sup>

While the Policy Statement does not apply to FTA authorizations, DOE/FE recognized that holders of existing non-FTA authorizations may also wish to apply for corresponding extensions in their existing long-term FTA authorizations in order to align the terms of their FTA and non-FTA authorizations. DOE/FE requested that authorization holders submit consolidated applications to extend the terms of their FTA and non-FTA authorizations where possible to ensure more consistent and streamlined proceedings. 11

Pursuant to DOE/FE's Policy Statement, Cameron LNG submits this Application to extend the terms of its existing long-term Non-FTA and FTA Authorizations through December 31, 2050, with attendant increases in the total export volume over the life of each authorization.

# II. INFORMATION REGARDING LONG-TERM AUTHORIZATIONS AND REQUESTED AMENDMENT

#### A. FE Docket Numbers

The long-term export authorizations subject to this Application are docketed under the following FE Docket Nos.: (i) 11-145-LNG; (ii) 11-162-LNG; (iii) 14-204-LNG; (iv) 15-36-LNG; (v) 15-67-LNG; (vi) 15-90-LNG.

<sup>&</sup>lt;sup>8</sup> 85 Fed. Reg. at 52238, 52247.

 $<sup>^{9}</sup>$  *Id.* at 5224 $\bar{7}$ .

<sup>&</sup>lt;sup>10</sup> *Id.* at 52248.

<sup>&</sup>lt;sup>11</sup> *Id.* DOE/FE provided a template for existing authorization holders to utilize when applying to extend the terms of their long-term export authorizations pursuant to the Policy Statement. *See* Department of Energy Office of Fossil Energy, Policy for Extending Natural Gas Export Authorizations to 2050, https://www.energy.gov/fe/downloads/policy-extending-natural-gas-export-authorizations-2050.

#### B. Authorization Holder

The authorization holder for each of the FTA and Non-FTA Authorizations is Cameron LNG, LLC. Cameron LNG is a limited liability company organized under the laws of Delaware. Cameron LNG is a joint venture owned by affiliates of Sempra Energy, Total S.A., Mitsui & Co., Ltd., Mitsubishi Corporation, and Nippon Yusen Kabushiki Kaisha. Cameron LNG's executive offices are located at 2925 Briarpark Drive, Suite 1000, Houston, Texas 77042. Cameron LNG is engaged in the business of owning and operating the Cameron LNG Terminal.

#### C. Name and Location of Export Facility

The FTA and Non-FTA Authorizations permit Cameron LNG to export LNG from the Cameron LNG Terminal, located in Cameron and Calcasieu Parishes, Louisiana. The Cameron LNG Terminal holds authorizations for five liquefaction trains and associated facilities that were permitted by the Federal Energy Regulatory Commission ("FERC") in two proceedings, with Trains 1 through 3 comprising the "Liquefaction Project" and Trains 4 and 5 comprising the "Expansion Project." 13

The long-term authorizations granted in FE Docket Nos. 11-145-LNG, 11-162-LNG, 14-204-LNG, and 15-67-LNG permit Cameron LNG to export LNG from the Liquefaction Project. The long-term authorizations granted in FE Docket Nos. 15-36-LNG and 15-90-LNG permit Cameron LNG to export LNG from the Expansion Project.

4

<sup>&</sup>lt;sup>12</sup> See FERC Docket No. CP13-25-000 et al.

<sup>&</sup>lt;sup>13</sup> See FERC Docket No. CP15-560-000.

## D. Existing Long-Term DOE/FE Orders Subject to This Application

The existing FTA and Non-FTA Authorizations subject to this Application are summarized below:

Docket No.	Order No.	Date Issued	Amendments	Authorized Volume	Trains	Туре
11-145-	3059	January	Order No.	620.0	1-3	FTA,
LNG		17, 2012	3059-A	Bcf/yr		long-term,
			(Aug. 13,	_		multi-contract
			2018)			
14-204-	3620	April 9,	n/a	152.0	1-3	FTA,
LNG		2015		Bcf/yr		long-term,
						multi-contract
15-36-	3680	July 10,	n/a	515.0	4-5	FTA,
LNG		2015		Bcf/yr		long-term,
						multi-contract
11-162-	3391-	September	n/a	620.0	1-3	Non-FTA,
LNG	Α	10, 2014		Bcf/yr		long-term,
						multi-contract
15-67	3797	March 18,	n/a	152.0	1-3	Non-FTA,
-LNG		2016		Bcf/yr		long-term,
						multi-contract
15-90-	3846	July 15,	n/a	515.0	4-5	Non-FTA,
LNG		2016		Bcf/yr		long-term,
						multi-contract

Cameron LNG's authorized long-term FTA and non-FTA volumes are not additive. Cumulatively, Cameron LNG is authorized to export from Trains 1-5, on a long-term basis, up to 1,287 Bcf/y of domestically produced LNG to FTA and non-FTA nations.

#### E. Final Orders Issued by Federal Energy Regulatory Commission

On June 19, 2014, FERC issued an order authorizing the Liquefaction Project under section 3 of the NGA, allowing Cameron LNG to site, construct, and operate facilities for the liquefaction and export of domestically produced natural gas at Cameron LNG's existing import terminal in

Cameron and Calcasieu Parishes, Louisiana.<sup>14</sup> The Liquefaction Project included, among other things, the construction and operation of Trains 1–3. On May 5, 2016, FERC issued an order approving the Expansion Project under section 3 of the NGA, which authorized, among other things, the siting, construction, and operation of Trains 4 and 5.<sup>15</sup>

#### F. Requested Amendment

Cameron LNG hereby respectfully requests that the export terms for each of the FTA and Non-FTA Authorizations specified in Section II.D above be extended for a term ending on December 31, 2050, inclusive of any make-up period.

While Cameron LNG does not propose to amend the annual export volumes (*i.e.*, Bcf/y) authorized in any of the FTA or Non-FTA Authorizations, Cameron LNG requests authorization for the increase in total export volumes over the life of each FTA and Non-FTA Authorization corresponding with the requested extension in export terms through December 31, 2050.

#### III. THE REQUESTED AMENDMENTS ARE IN THE PUBLIC INTEREST

DOE/FE grants the FTA portion of this Application under section 3(c) of the NGA. Section 3(c) requires that FTA applications "shall be deemed to be consistent with the public interest" and granted "without modification or delay." In light of this statutory obligation, DOE/FE has found that it need not engage in any analysis of factors affecting the public interest. 17

<sup>&</sup>lt;sup>14</sup> Cameron LNG, LLC, 147 FERC ¶ 61,230 (2014). FERC rejected an untimely request for rehearing of its June 19, 2014 order authorizing the Liquefaction Project. See Cameron LNG, LLC, 148 FERC ¶ 61,073 (2014), reh'g denied, 148 FERC ¶ 61,237.

<sup>&</sup>lt;sup>15</sup> Cameron LNG, LLC, 155 FERC ¶ 61,141 (2016). No requests for rehearing of FERC's order authorizing the Expansion Project were filed.

<sup>&</sup>lt;sup>16</sup> 15 U.S.C. § 717b(c).

<sup>&</sup>lt;sup>17</sup> See, e.g., Cameron LNG, LLC, DOE/FE Order No. 3680 at 7.

Cameron LNG's request to amend the export terms of its FTA Authorizations in DOE/FE Order Nos. 3059, 3620, and 3680 should be processed and approved in accordance with this standard.

The portion of this Application relating to Cameron LNG's Non-FTA Authorizations (i.e., DOE/FE Order Nos. 3391-A, 3797, and 3846) is governed by section 3(a) of the NGA, which provides that:

[N]o person shall export any natural gas from the United States to a foreign country or import any natural gas from a foreign country without first having secured an order of the Commission authorizing it to do so. The Commission shall issue such order upon application, unless, after opportunity for hearing, it finds that the proposed exportation or importation will not be consistent with the public interest. 18

NGA section 3(a) creates a rebuttable presumption that a proposed export of natural gas is in the public interest. 19 DOE/FE has explained that it must grant an application requesting the export of natural gas unless the presumption favoring exports is overcome by an affirmative showing that the application is inconsistent with the public interest.<sup>20</sup>

Although the NGA does not define "public interest," DOE/FE has identified several factors that it considers when reviewing Non-FTA export applications, including economic impacts, international impacts, security of natural gas supply, and environmental impacts. <sup>21</sup> In conducting its public interest review, DOE/FE is also guided by the 1984 Policy Guidelines<sup>22</sup> and DOE

<sup>&</sup>lt;sup>18</sup> 15 U.S.C. § 717b(a).

<sup>&</sup>lt;sup>19</sup> See, e.g., Sierra Club v. U.S. Dep't of Energy, 867 F.3d 189, 203 (D.C. Cir. 2017).

<sup>&</sup>lt;sup>20</sup> See, e.g., Golden Pass Prods. LLC, DOE/FE Order No. 3978, FE Docket No. 12-156-LNG, Opinion and Order Granting Long-Term, Multi-Contract Authorization to Export Liquefied Natural Gas By Vessel From the Golden Pass LNG Terminal Located in Jefferson County, Texas, to Non-Free Trade Agreement Nations at 11 (Apr. 25, 2017).

<sup>&</sup>lt;sup>21</sup> See, e.g., Venture Global Plaquemines LNG, LLC, DOE/FE Order No. 4446, FE Docket No. 16-28-LNG, Opinion and Order Granting Long-Term Authorization to Export Liquefied Natural Gas to Non-Free Trade Agreement Nations at 19 (Oct. 16, 2019) [hereinafter Venture Global]; Eagle LNG Partners Jacksonville LLC, DOE/FE Order No. 4445, FE Docket No. 16-15-LNG, Opinion and Order Granting Long-Term Authorization to Export Liquefied Natural Gas to Non-Free Trade Agreement Nations at 19 (Oct. 3, 2019) [hereinafter Eagle LNG]; Gulf LNG Liquefaction Co., LLC, DOE/FE Order No. 4410, FE Docket No. 12-101-LNG, Opinion and Order Granting Long-Term Authorization to Export Liquefied Natural Gas to Non-Free Trade Agreement Nations at 19-20 (July 31, 2019) [hereinafter Gulf LNG].

<sup>&</sup>lt;sup>22</sup> See New Policy Guidelines and Delegations Order Relating to Regulation of Imported Natural Gas, 49 Fed. Reg. 6684 (Feb. 22, 1984). The goals of the 1984 Policy Guidelines are to "minimize federal control and involvement in

Delegation Order No. 0204-111.<sup>23</sup> While the Delegation Order is no longer in effect, DOE/FE continues to look to the following factors in its review of export applications: (i) the domestic need for the natural gas to be exported; (ii) whether the proposed exports pose a threat to the security of domestic natural gas supplies; (iii) whether the arrangement is consistent with DOE/FE's policy of promoting market competition; and (iv) any other factors bearing on the public interest.<sup>24</sup>

In approving the Non-FTA Authorizations, DOE/FE conducted an extensive public interest review of exports from the Cameron LNG Terminal, including an evaluation of domestic need for the natural gas proposed for export. Based on these reviews, DOE/FE found that the proposed exports were not shown to be inconsistent with the public interest.<sup>25</sup>

#### A. Domestic Natural Gas Supply, Demand, and Price

Current market data and studies demonstrate that exports of domestically produced LNG from the Cameron LNG Terminal through 2050 remain in the public interest. As the Policy Statement recognized, the DOE-commissioned 2018 LNG Export Study<sup>26</sup> and the U.S. Energy Information Administration's ("EIA") Annual Energy Outlook 2020 ("AEO 2020")<sup>27</sup> "project"

\_

energy markets and to promote a balanced and mixed energy resource system." *Venture Global* at 19. The 1984 Policy Guidelines indicated that "[t]he federal government's primary responsibility in authorizing imports [or exports] will be to evaluate the need for the gas and whether the import [or export] arrangement will provide the gas on a competitively priced basis for the duration of the contract while minimizing regulatory impediments to a freely operating market." 49 Fed. Reg. at 6685. DOE/FE has explained that while the 1984 Policy Guidelines are nominally applicable to natural gas import cases, they are applicable to export applications. *See, e.g., Venture Global* at 20.

<sup>&</sup>lt;sup>23</sup> U.S. Department of Energy, Delegation Order No. 0204-111 (Feb. 22, 1984). Delegation Order No. 0204-111 based the regulation of exports "on a consideration of the domestic need for the gas to be exported and such other matters [found] in the circumstances of a particular case to be appropriate." *Id.* at 1.

<sup>&</sup>lt;sup>24</sup> See, e.g., Venture Global at 20; Eagle LNG at 20; Gulf LNG at 21.

<sup>&</sup>lt;sup>25</sup> See DOE/FE Order No. 3391-A at 87; DOE/FE Order No. 3797 at 25; DOE/FE Order No. 3846 at 121-22.

<sup>&</sup>lt;sup>26</sup> NERA Economic Consulting, *Macroeconomic Outcomes of Market Determined Levels of U.S. LNG Exports*, at 14 (June 7, 2018), *available at* 

https://www.energy.gov/sites/prod/files/2018/06/f52/Macroeconomic%20LNG%20Export%20Study%202018.pdf [hereinafter 2018 LNG Export Study].

<sup>&</sup>lt;sup>27</sup> U.S. Energy Information Administration, *Annual Energy Outlook 2020* (Jan. 29, 2020), *available at* https://www.eia.gov/outlooks/aeo/pdf/AEO2020% 20Full% 20Report.pdf [hereinafter AEO 2020].

robust domestic supply conditions that are more than adequate to satisfy both domestic needs and exports of LNG . . . through December 31, 2050."<sup>28</sup>

The AEO 2020 predicts that the United States will remain a net natural gas exporter through 2050.<sup>29</sup> The AEO 2020 reference case estimates 0.9% growth in U.S. dry gas production over the period 2019–2050, with dry gas production reaching 45 trillion cubic feet ("Tcf") by 2050.<sup>30</sup> In comparison, the AEO 2020 reference case estimates more modest growth in demand over the same period (0.5%), with consumption across sectors estimated at 36.50 Tcf by 2050.<sup>31</sup>

The AEO 2020 reference case projects that natural gas prices will "remain lower than \$4 per million British thermal units (MMBtu) through 2050 because of an abundance of lower cost resources . . . allow[ing] higher production levels at lower prices during the projection period."<sup>32</sup> The 2018 LNG Export Study found that increased domestic LNG exports "leads to only small increases in U.S. natural gas prices."<sup>33</sup> Moreover, the 2018 LNG Export Study concluded that increased LNG exports consistently result in several macroeconomic benefits, including higher levels of GDP and consumer wellbeing.<sup>34</sup> According to the 2018 LNG Export Study, "[e]ven the most extreme scenarios of high LNG exports that are outside the more likely probability range . . show higher overall economic performance in terms of GDP, household income, and consumer welfare than lower export levels associated with the same domestic supply scenarios."<sup>35</sup>

<sup>-</sup>

<sup>&</sup>lt;sup>28</sup> 85 Fed. Reg. at 52242.

<sup>&</sup>lt;sup>29</sup> AEO 2020 at 11.

<sup>&</sup>lt;sup>30</sup> AEO 2020 at tbl. 13, *available at* https://www.eia.gov/outlooks/aeo/data/browser/#/?id=13-AEO2020&cases=ref2020&sourcekey=0.

<sup>&</sup>lt;sup>31</sup> *Id*.

<sup>&</sup>lt;sup>32</sup> AEO 2020 at 48.

<sup>&</sup>lt;sup>33</sup> 2018 LNG Export Study at 55.

<sup>&</sup>lt;sup>34</sup> *Id.* at 18-21.

<sup>&</sup>lt;sup>35</sup> Id.

The macroeconomic benefits projected in the 2018 LNG Export Study remain accurate today. Indeed, as acknowledged in the Policy Statement, the AEO 2020 reference case projects market conditions through 2050 that are even more supportive of LNG exports—including higher production and demand and lower prices—than the Annual Energy Outlook 2017 projections that underlie the 2018 LNG Export Study.<sup>36</sup> Consistent with the findings in the 2018 LNG Export Study, the Policy Statement concluded that "exports of U.S. LNG under the proposed term extension [*i.e.*, through December 31, 2050] will generate positive economic benefits in the United States through the year 2050."<sup>37</sup>

Additionally, the Policy Statement recognized that extending non-FTA export authorization terms through December 31, 2050 will provide commercial benefits to existing authorization holders and will improve regulatory certainty for authorization holders and foreign buyers of domestic LNG.<sup>38</sup> In proposing the Policy Statement, DOE recognized that a 30-year export term would better match the operational life of LNG export facilities, would enhance authorization holders' ability to finance their facilities, and would facilitate authorization holders' ability to enter into longer-term natural gas supply and export contracts.<sup>39</sup> Indeed, DOE/FE recognized that the longer export term would increase the competitiveness of U.S. gas exports visa-vis exports from other countries.<sup>40</sup>

\_

<sup>&</sup>lt;sup>36</sup> 85 Fed. Reg. at 52243-44.

<sup>&</sup>lt;sup>37</sup> *Id.* at 52242. In addressing comments to the proposed Policy Statement, DOE was not persuaded by complaints that the proposed term extension would negatively impact domestic consumers, households, or U.S. manufacturers, or otherwise harm the U.S. economy. *Id.* at 52242-44.

<sup>&</sup>lt;sup>38</sup> *Id.* at 52240-41.

<sup>&</sup>lt;sup>39</sup> *Id.* at 52240.

<sup>&</sup>lt;sup>40</sup> *Id.* at 52240-41.

#### **B.** Other Public Interest Considerations

#### i. Environmental Issues

Cameron LNG does not propose to construct or modify its facilities to allow for the proposed export term extensions requested herein and does not request to increase the annual authorized volumes under any of the FTA or Non-FTA Authorizations. Should DOE/FE grant Cameron LNG's request to extend the terms of its FTA and Non-FTA Authorizations, the increase in overall exports over the life of each authorization will not be inconsistent with the public interest.

In 2019, DOE commissioned an update to its Life Cycle Analysis Greenhouse Gas Report (the "LCA GHG Update"). The LCA GHG Update demonstrated that the use of U.S. LNG exports for power production in European and Asian markets will not increase global GHG emissions from a life cycle perspective, when compared to regional coal extraction and consumption for power production. The LCA GHG Update suggests, therefore, that U.S LNG exports may in fact facilitate the reduction of GHG emissions by displacing less environmentally-friendly energy sources with cleaner-burning natural gas. Indeed, the Policy Statement found that "to the extent U.S. LNG exports are preferred over coal in LNG-importing nations, U.S. LNG exports are likely to reduce global GHG emissions on a per unit of energy consumed basis for power production. Further, to the extent U.S. LNG exports are preferred over other forms of imported natural gas, they are likely to have only a small impact on global GHG emissions. The Based on the LCA GHG Update and public comments thereto, DOE/FE has determined there is

-

<sup>&</sup>lt;sup>41</sup> Nat'l Energy Tech. Lab., *Life Cycle Greenhouse Gas Perspective on Exporting Liquefied Natural Gas from the United States: 2019 Update* (DOE/NETL 2019/2041) (Sept. 12, 2019).

<sup>&</sup>lt;sup>42</sup> See id. at 78, 85.

<sup>&</sup>lt;sup>43</sup> 85 Fed. Reg. at 52245 (citing U.S. Dep't of Energy, Life Cycle Greenhouse Gas Perspective on Exporting Liquefied Natural Gas From the United States: 2019 Update – Response to Comments, 85 FR 72, 85 (Jan. 2, 2020) ("DOE Response to Comments on 2019 Update")).

"no reason to conclude that U.S. LNG exports will increase global GHG emissions in material or predictable way." Furthermore, the Policy Statement noted that U.S. LNG exporters may indirectly benefit the use of renewable energy in importing countries by providing reliable standby energy supplies during and after development of renewable energy sources. 45

#### ii. International Trade and Geopolitical Impacts

The 2018 LNG Export Study found that increased U.S. exports of natural gas "will improve the U.S. balance of trade and result in a wealth transfer into the United States." Additionally, LNG exports provide important geopolitical benefits by diversifying global energy supply. In the Policy Statement, DOE/FE recognized that "[a]n efficient, transparent international market for natural gas with diverse sources of supply provides both economic and strategic benefits to the United States and its allies" and that "to the extent U.S. exports can diversity global LNG supplies and increase the volumes of LNG available globally, these exports will improve energy security for many U.S. allies and trading partners." The amendments requested herein will further these international trade and geopolitical benefits.

#### C. Authority to Grant Extended Export Terms Under DOE's Regulations

DOE/FE has the authority to grant Cameron LNG's request to extend the terms of its Non-FTA Authorizations. In the Policy Statement, DOE/FE noted that neither NGA section 3(a) nor the DOE's regulations prescribe a specific time period for Non-FTA Authorizations.<sup>48</sup> DOE concluded that it has discretion pursuant to section 590.404 of its regulations<sup>49</sup> to impose a suitable term—including a term through December 31, 2050—for long-term, non-FTA authorizations in

<sup>&</sup>lt;sup>44</sup> *Id.* at 52240 (citing DOE Response to Comments on 2019 Update).

<sup>&</sup>lt;sup>45</sup> *Id.* at 52246.

<sup>&</sup>lt;sup>46</sup> 2018 LNG Export Study at 64.

<sup>&</sup>lt;sup>47</sup> 85 Fed. Reg. at 52244.

<sup>&</sup>lt;sup>48</sup> *Id.* at 52239.

<sup>&</sup>lt;sup>49</sup> 10 C.F.R. § 590.404 (2020).

light of the evidence in each proceeding.<sup>50</sup> Based on the foregoing evidence that the requested amendments are consistent with the public interest, Cameron LNG respectfully submits that DOE/FE has the authority to approve a revised export term ending December 31, 2050 for each of the Non-FTA Authorizations.

#### IV. COMPLIANCE WITH THE NATIONAL ENVIRONMENTAL POLICY ACT

As the lead agency for compliance with the National Environmental Policy Act ("NEPA"),<sup>51</sup> FERC issued a final Environmental Impact Statement ("EIS") for the Liquefaction Project on April 30, 2014.<sup>52</sup> DOE/FE participated as a cooperating agency in FERC's environmental review and adopted FERC's final EIS in issuing DOE/FE Order No. 3391-A.<sup>53</sup> FERC issued an Environmental Assessment ("EA") for the Expansion Project on February 12, 2016.<sup>54</sup> DOE/FE participated as a cooperating agency and adopted FERC's EA in issuing DOE/FE Order No. 3846.<sup>55</sup>

No construction, operational changes, or other modifications are required to the Cameron LNG Terminal to allow for the proposed export term extensions requested herein. Accordingly, this Application qualifies for a B5.7 categorical exclusion pursuant to 10 C.F.R. Part 1021, Subpart D, Appendix B,<sup>56</sup> pursuant to which neither an environmental assessment nor an environmental

<sup>&</sup>lt;sup>50</sup> 85 Fed. Reg. at 52239.

<sup>&</sup>lt;sup>51</sup> 42 U.S.C. § 4321 et seq.

<sup>&</sup>lt;sup>52</sup> Cameron LNG, LLC, Final Environmental Impact Statement, FERC Docket No. CP13-25-000 et al. (Apr. 30, 2014).

<sup>&</sup>lt;sup>53</sup> See DOE/FE Order No. 3391-A at 4, 72. DOE/FE granted a categorical exclusion under 10 C.F.R. Part 1021, Subpart D, App. B, Item B5.7, in issuing DOE/FE Order No. 3797. See DOE/FE Order No. 3797 at 6-7, 21-22, 34; FE Docket No. 15-67-LNG, Categorical Exclusion Determination (Mar. 18, 2016). DOE/FE Order No. 3797 authorized Cameron LNG to increase its export volumes to align with the optimal design capacity of the Liquefaction Project and did not involve further additions or modifications to the facilities.

<sup>&</sup>lt;sup>54</sup> Cameron LNG, LLC, Environmental Assessment, FERC Docket No. CP15-560-000 (Feb. 12, 2016).

<sup>&</sup>lt;sup>55</sup> See DOE/FE Order No. 3846 at 8, 111.

<sup>&</sup>lt;sup>56</sup> Item B5.7 applies to "[a]pprovals or disapprovals of new authorizations or amendments of existing authorizations to import or export natural gas under section 3 of the Natural Gas Act that involve minor operational changes (such as changes in natural gas throughput, transportation, and storage operations) but not new construction." 10. C.F.R. Part 1021, App. B, Item B5.7.

impact statement is required. Cameron LNG therefore respectfully requests that DOE/FE find that

Cameron LNG's proposed exports are categorically excluded from further review under NEPA.

V. **APPENDICES** 

Appendix A:

Verification

Appendix B:

Opinion of Counsel

VI. **CONCLUSION** 

WHEREFORE, for the foregoing reasons, Cameron LNG respectfully requests that DOE/FE

(i) amend the export terms for the FTA and Non-FTA Authorizations to provide for terms ending

on December 31, 2050, and (ii) authorize attendant increases in the total export volumes over the

life of each FTA and Non-FTA Authorization corresponding with the requested extensions in

export terms.

Respectfully submitted,

/s/ Brett A. Snyder

Brett A. Snyder

Lamiya Rahman

Blank Rome LLP

1825 Eye Street NW

Washington, DC 20006

(202) 420-2200

bsnyder@blankrome.com

lrahman@blankrome.com

Counsel to Cameron LNG, LLC

Dated: November 13, 2020

14

## **CERTIFICATE OF SERVICE**

I hereby certify that I have this day served the foregoing document upon each person designated on the official service list in this proceeding.

Dated at Washington, DC this 13th day of November, 2020.

/s/ Jane Thomas
Jane Thomas
Blank Rome LLP
1825 Eye Street NW
Washington, DC 20006
(202) 420-2577
jthomas@blankrome.com

## APPENDIX A

## Verification

#### **VERIFICATION**

I, Blair Woodward, declare that I am General Counsel to Cameron LNG, LLC and am duly authorized to make this Verification; that I have read the foregoing instrument and that the facts therein stated are true and correct to the best of my knowledge, information and belief.

Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.

Blir 1

Executed in Houston, Texas on October 16, 2020.

## APPENDIX B

**Opinion of Counsel** 

#### **OPINION OF COUNSEL**

October 16, 2020

Ms. Amy Sweeney Office of Fossil Energy, FE-34 U.S. Department of Energy 1000 Independence Ave, SW Washington, DC 20585

Re: <u>Cameron LNG, LLC</u>

**Application to Amend Export Term For Existing Long-Term Authorizations Through December 31, 2050** 

Dear Ms. Sweeney:

This opinion of counsel is submitted pursuant to Section 590.202(c) of the regulations of the United States Department of Energy, 10 C.F.R. § 590.202(c) (2019). I am General Counsel to Cameron LNG, LLC ("Cameron LNG").

I have reviewed the organizational and internal governance documents of Cameron LNG and it is my opinion that the proposed export of natural gas as described in the application filed by Cameron LNG, to which this Opinion of Counsel is attached as Appendix B, is within the company powers of Cameron LNG.

Respectfully submitted,

Bline Wy \_\_\_\_

Blair Woodward General Counsel

Cameron LNG, LLC

2925 Briarpark Dr.

**Suite 1000** 

Houston, TX 77042 Tel: (832) 783-5582

Fax: (832) 783-5503

bwoodward@cameronlng.com